REORGANIZATION

OF THE

BALTIMORE AND OHIO SOUTHWESTERN RAILWAY COMPANY.

Plan and Agreement,

Dated December 15, 1898.

REORGANIZATION MANAGERS.

SPEYER BROTHERS,
7 Lothbury, London.

SPEYER & CO.,
30 Broad Street, N. Y.

KUHN, LOEB & CO.,
27 Pine Street, N. Y.

Counsel to Reorganization Managers.

SEWARD, GUTHRIE & STEELE,
40 Wall Street, N. Y.

EVARTS, CHOATE & BEAMAN,
52 Wall Street, N. Y.

FRESHFIELDS & WILLIAMS,
London.

Depositary.

THE MERCANTILE TRUST COMPANY OF NEW YORK.

LONDON AND WESTMINSTER BANK, LIMITED, LONDON AGENT.

To the Security Holders of the
Baltimore and Ohio Southwestern Railway Company:

The Baltimore and Ohio Railroad, the guarantor of certain of your securities, having become insolvent and its property being in the possession of Receivers, and its reorganization having been declared operative, it became necessary for your Board, in order to properly protect the securities of your Company, to enter into negotiations with the Reorganization Managers of the Baltimore and Ohio Railroad Company to arrange the future relations of your Company with that reorganized property.

For several months the Board has been in negotiation with them, and in consultation with the security holders, for the purpose of securing an exchange of your Company's securities for the securities of the Reorganized Baltimore and Ohio Railroad Company upon a satisfactory basis, and to secure additional new capital to place the Company in a position to successfully carry on its business and place it on a sound financial basis.

Since the organization of your Company, vigorous competition, then unexpected, has developed in the territory it occupies, greatly reducing the rates for transportation received by your Company.

The effect of such reduction in rates has been most serious and shows the pressing need of a readjustment of the Company's securities and fixed charges, and the securing of additional capital to make needed improvements upon the property. Had the same rates prevailed last year as existed at the time of the organization of the Company there would have been a surplus over fixed charges of $2,273,626, instead of a deficit of $99,574.

When your Company was organized, it was believed ample provision had been made for necessary capital to reduce its grades, secure increased and heavier motive power, equipment and rails, and to bring the property to the highest standard of condition. Such necessary capital was to be secured through the sale of the Company's securities, guaranteed by the Baltimore and Ohio Railroad Company. Immediately upon the organization of the Company, certain of such improvements were entered upon; before they could be completed to the extent whereby substantial savings in operation could be effected to meet the prevailing low rates, the insolvency and Receivership of the Baltimore and Ohio Railroad Company prevented the sale of its securities and thereby arrested the completion of the contemplated improvements. These improvements have become imperative and cannot longer be delayed.

The amount of capital now needed to be expended in the reduction of the grades, purchase of additional equipment and for other improvements in order to bring the property to the efficiency requisite for advantageous and profitable operation, in conjunction with the reorganized Baltimore and Ohio Railroad, is estimated at about $5,500,000, the greater proportion of which should be expended during the next calendar year and the remainder as soon as possible thereafter.

The Reorganization Managers have agreed to undertake the consummation of the plan herewith submitted, which provides for the issue by the Baltimore and Ohio Railroad Company, (as Reorganized), of its securities in exchange for yours on a just and equitable basis, and the securing of additional capital required to put your property in a position to successfully carry on its business. The syndicate mentioned in the plan will purchase at their face value, all coupons due on the first day of January next that are not paid, from such bondholders as shall deposit their securities. It is hoped that further financial embarrassment with its inevitable consequences and the depreciation in the value of your securities can be avoided by a prompt acceptance of the plan.

Your Board, therefore, urgently recommends its prompt acceptance.

Dated New York, December 15th, 1898.

EDWARD R. BACON,
President,
WILLIAM L. BULL,
EDGAR T. WELLES,
JOHN H. DAVIS,
New York,
JAMES SLOAN, Jr.,
Baltimore,
FRANCIS PAVY,
London,
Committee of Board.

PLAN FOR THE REORGANIZATION

OF THE

BALTIMORE AND OHIO SOUTHWESTERN RAILWAY COMPANY.

The following securities will be dealt with under the Plan, and are hereinafter referred to as "Existing Securities."

LIST OF SECURITIES WITH OUTSTANDING AMOUNTS.

NAME.	Amounts Outstanding.
Ohio & Mississippi Railway First Consolidated Mortgage Bonds, Extended 4 Per Cent.....	$6,385,000
Ohio & Mississippi Railway First Consolidated Mortgage Sterling Bonds, Extended 4 Per Cent.....	83,000
Ohio & Mississippi Railway Second Consolidated Mortgage 7 Per Cent. Bonds (Currency).	2,952,000
Ohio & Mississippi Railway First Mortgage Springfield Division 7 Per Cent. Bonds (Currency).....	1,993,000
Ohio & Mississippi Railway General Mortgage 5 Per Cent. Bonds (Currency).....	313,000
B. & O. S. W. Railroad First Mortgage 4½ Per Cent. Bonds.....	10,667,000
B. & O. S. W. Railway First Consolidated Mortgage 4½ Per Cent. Gold Bonds.....	10,363,900
B. & O. S. W. Railway First Income Mortgage 5 Per Cent. Bonds, Series "A".....	8,750,000
B. & O. S. W. Railway First Income Mortgage 5 Per Cent. Bonds, Series "B".....	10,000,000
B. & O. S. W. Railway Preferred Stock.....	20,000,000
B. & O. S. W. Terminal Company 5 Per Cent. Gold Bonds.....	1,500,000
Cincinnati & Baltimore R. R. First Mortgage 7 Per Cent. Bonds.....	333,000
Marietta Railway First Mortgage 4 Per Cent. Bonds.....	175,000

NEW SECURITIES.

It is proposed that the Baltimore and Ohio Reorganization Managers shall recommend to the Baltimore and Ohio Railroad Company (as Reorganized) that it shall acquire the properties of the above-named Companies, or the securities above-named, representing the same, and shall issue in exchange therefor, and to provide new capital for the enlargement, betterment or extension of said properties, its bonds to be known as "Baltimore and Ohio Railroad Company (as Reorganized) Southwestern Division First Mortgage 3½ Per Cent. Gold Bonds," and also Baltimore and Ohio Railroad Company (as Reorganized) new Preferred and Common Stock (trust certificates) as hereinafter stated. The right will be reserved to reorganize or consolidate any of the lines above mentioned into a new corporation, if that shall be deemed expedient by the Reorganization Managers.

The Baltimore and Ohio Railroad Company (as Reorganized) is therefore to authorize the following new securities:

FIRST.

$40,000,000 BALTIMORE AND OHIO RAILROAD COMPANY (AS REORGANIZED) SOUTHWESTERN DIVISION FIRST MORTGAGE THREE AND ONE-HALF PER CENT. GOLD BONDS, DUE 1925.

These bonds will bear interest from the first day of January, 1899. The right will be reserved to issue $5,000,000 additional of these bonds at the rate of not exceeding $1,000,000 per year after the Reorganization is completed for the enlargement, betterment or extension of the properties covered by the Baltimore and Ohio Railroad Company's (as Reorganized) Southwestern Division First Mortgage (either as a direct lien or by pledge of the securities representing such properties), or for additions thereto. The mortgage securing these bonds is expected to be ultimately a first lien upon the railroads and properties constituting the Baltimore and Ohio Southwestern Railroad system above named, or the above-mentioned securities representing the same, covering about 920.98 miles of first track and about 305.48 miles of second track and sidings (see Appendix, Table A), and also all of the equipment now owned by the Baltimore and Ohio Southwestern Railway Company or subsequently acquired with the proceeds of these bonds. In case it shall be found inexpedient to acquire any of said railroads or properties, the consummation of the Plan will not necessarily for that reason be affected; but the said bonds and stocks representing said railroads or properties respectively may be pledged under said mortgage in lieu of the railroads or properties themselves. The new bonds are to be applied as follows:

In partial exchange for existing bonds (see page 5)	$35,540,980
Sold to Syndicate for cash requirements	4,459,020
Total	$40,000,000

SECOND.

NEW PREFERRED STOCK (*TRUST CERTIFICATES) OF THE BALTIMORE AND OHIO RAILROAD COMPANY (AS REORGANIZED).

The Baltimore and Ohio Reorganization Managers will recommend to the Baltimore and Ohio Railroad Company (as Reorganized) that for the purposes of this plan it shall issue $12,500,000 additional of its new Preferred Stock (trust certificates) to be applied as follows:

In partial exchange for existing bonds (see page 5)	$6,253,440
Sold to Syndicate for cash requirements	6,246,560
Total	$12,500,000

The Baltimore and Ohio Reorganization Managers will also recommend to the Baltimore and Ohio Railroad Company (as Reorganized) that it shall issue $7,500,000 additional of its new Preferred Stock (trust certificates) for the purpose among others of restoring the reserve of such new Preferred Stock appropriated under the Plan and Agreement dated September 28, 1898, for the reorganization or consolidation of the Central Ohio Railroad Company and other Companies.

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*The words "Trust Certificates" wherever used in this Plan refer to the Voting Trust Certificates as provided for in the Baltimore and Ohio Reorganization Plan, dated June 22, 1898.

The new Preferred Stock of the Baltimore and Ohio Railroad Company (as Reorganized) will then aggregate $60,000,000 in amount applied as follows:

Appropriated under plan for reorganization of B. & O. R. R. Co., dated June 22, 1898	$33,668,700	
For contingencies, &c. (any surplus to New Company)	1,331,300	
Reserve for New Company (under B. & O. plan June 22, 1898)	5,000,000	
		$40,000,000
Proposed new issue:		
Appropriated under Central Ohio Plan September 28, 1898	$5,888,850	
Appropriated under this Plan	12,500,000	
For contingencies, &c. (any surplus to New Company)	1,611,150	
		$20,000,000
Total amount new Preferred Stock		$60,000,000

The New Company will thus have an unappropriated surplus of new Preferred Stock as follows:

Reserve under B. & O. Plan of June 22, 1898	$5,000,000	
Balance under B. & O. Plan of June 22, 1898, for contingencies, &c., (any surplus to New Company)	1,331,300	
Balance for contingencies, &c., as above stated	1,611,150	
Total surplus unappropriated		**$7,942,450**
Total amount appropriated under the several Plans as above stated	52,057,550	
		$60,000,000

THIRD.

NEW COMMON STOCK (TRUST CERTIFICATES) OF THE BALTIMORE AND OHIO RAILROAD COMPANY (AS REORGANIZED).

The Baltimore and Ohio Reorganization Managers will recommend to the Baltimore and Ohio Railroad Company (as Reorganized) that it shall issue $10,000,000 additional of new Common Stock (trust certificates) to be applied as follows:

In exchange for existing bonds and stocks (see page 6)	$7,500,000
For contingencies, &c. (any surplus to New Company)	2,500,000
Total	$10,000,000

The new Common Stock of the Baltimore and Ohio Railroad Company (as Reorganized) will then aggregate $45,000,000 in amount, applied as follows:

Appropriated under Plan for Reorganization of B. & O. R. R. Co., dated June 22, 1898	$31,178,000	
For contingencies, etc. (any surplus to new Company)	3,822,000	
		$35,000,000
Proposed new issue:		
Appropriated under this Plan	$7,500,000	
For contingencies, etc. (any surplus to new Company)	2,500,000	
		10,000,000
		$45,000,000

The new Company will thus have an unappropriated surplus of new common stock as follows:

Balance under B. & O. Plan of June 22, 1898, for contingencies, etc. (any surplus to new Company)	$3,822,000	
Balance under this Plan for contingencies, etc. (any surplus to new Company)	2,500,000	
Total surplus unappropriated	**$6,322,000**	
Total amount appropriated under the two Plans as above stated.	38,678,000	
		$45,000,000

APPLICATION OF SECURITIES.

It is contemplated that, as a consideration for the railroads and property or securities representing the same, to be conveyed and delivered to the Baltimore and Ohio Railroad Company (as Reorganized), or which it shall acquire pursuant to this Plan, it shall deliver the new bonds and stock (trust certificates), excepting such final amounts as shall be reserved as herein provided. The requisite deliveries of the new securities to depositors and subscribers under this Plan will thus be provided for.

The following details show the disposition to be made under the Plan of the new securities,

Disposition of New Securities in Detail.

The BALTIMORE AND OHIO RAILROAD COMPANY (as Reorganized) SOUTHWESTERN DIVISION FIRST MORTGAGE THREE AND ONE-HALF PER CENT. GOLD BONDS will be disposed of as follows:

Present authorized issue $40,000,000

To be used in partial exchange for existing bonds as follows:

EXISTING BONDS.	Amount Outstanding.	Per Cent. of New 3½% First Mortgage Bonds Offered in Exchange.	Amount of New 3½% First Mortgage Bonds.	
Ohio & Mississippi Railway First Consolidated Mortgage Bonds, Extended 4%	$6,385,000	107	$6,831,950	
Ohio & Mississippi Railway First Consolidated Mortgage Sterling Bonds, Extended 4%	83,000	104	86,320	
Ohio & Mississippi Railway Second Consolidated Mortgage 7% Bonds (Currency)	2,952,000	124	3,660,480	
Ohio & Mississippi Railway First Mortgage Springfield Division 7% Bonds (Currency)	1,993,000	100	1,993,000	
Ohio & Mississippi Railway General Mortgage 5% Bonds (Currency)	313,000	90	281,700	
B. & O. Southwestern Railroad First Mortgage 4½% Bonds,	10,667,000	106	11,307,020	
B. & O. Southwestern Railway First Consolidated Mortgage 4½% Gold Bonds	10,363,900	90	9,327,510	
B. & O. Southwestern Terminal Company 5% Gold Bonds	1,500,000	103	1,545,000	
Cincinnati & Baltimore Railroad First Mortgage 7% Bonds	333,000	100	333,000	
Marietta Railway First Mortgage 4% Bonds	175,000	100	175,000	
			$35,540,980	
Sold to Syndicate for cash requirements			4,459,020	
				$40,000,000

The NEW PREFERRED STOCK (Trust Certificates) will be disposed of as follows:

Proposed increased issue $12,500,000

To be used in partial exchange for existing bonds as follows:

EXISTING SECURITIES.	Amount Outstanding.	Per Cent. of New Preferred Stock Offered in Exchange.	Amount of New Preferred Stock.	
Ohio & Mississippi Railway First Consolidated Mortgage Bonds, Extended 4%	$6,385,000	10	$638,500	
Ohio & Mississippi Railway First Consolidated Mortgage Sterling Bonds, Extended 4%	83,000	10	8,300	
Ohio & Mississippi Railway Second Consolidated Mortgage 7% Bonds (Currency)	2,952,000	12½	369,000	
Ohio & Mississippi Railway First Mortgage, Springfield Division, 7% Bonds (Currency)	1,993,000	12½	249,125	
Ohio & Mississippi Railway General Mortgage 5% Bonds (Currency)	313,000	10	31,300	
B. & O. Southwestern Railroad First Mortgage 4½% Bonds,	10,667,000	10	1,066,700	
B. & O. Southwestern Railway First Consolidated Mortgage 4½% Gold Bonds	10,363,900	10	1,036,390	
B. & O. Southwestern Railway First Income Mortgage 5% Bonds, Series A	8,750,000	30	2,625,000	
B. & O. Southwestern Terminal Company 5% Gold Bonds	1,500,000	12½	187,500	
Cincinnati & Baltimore Railroad First Mortgage 7% Bonds	333,000	12½	41,625	
			$6,253,440	
Sold to Syndicate for cash requirements			6,246,560	
				$12,500,000

The NEW COMMON STOCK (Trust Certificates) will be disposed of as follows:

Proposed increased issue..... $10,000,000

To be used in partial exchange for existing bonds and stocks as follows:

EXISTING SECURITIES.	Amount Outstanding.	Per Cent. of New Common Stock Offered in Exchange.	Amount of New Common Stock.	
B. & O. Southwestern Railway First Income Mortgage 5% Bonds, Series A.....	$8,750,000	20	$1,750,000	
B. & O. Southwestern Railway First Income Mortgage 5% Bonds, Series B..	10,000,000	22½	2,250,000	
B. & O. Southwestern Railway Preferred Stock.....	20,000,000	17½	3,500,000	
			$7,500,000	
For contingencies, etc. (any surplus to new Company).....			2,500,000	
				$10,000,000

SYNDICATE.

A Syndicate has been formed by Messrs. Speyer & Co. and Messrs. Kuhn, Loeb & Co., of New York, and Messrs. Speyer Brothers, of London, to purchase $4,459,020 of the new Baltimore and Ohio Railroad Company (as Reorganized) Southwestern Division First Mortgage 3½ Per Cent. Gold Bonds and $6,246,560 of the new Preferred Stock (Trust Certificates).

And also to protect the New Company in the ownership and possession of the properties covered by $21,030,900 of the existing mortgage bonds of the Baltimore and Ohio Southwestern Railway Company of different issues, by agreeing to purchase from the New Company the new securities not taken, but to which the holders of such bonds would have been entitled if deposited under the Plan, and also to make advances and perform other obligations essential for the purposes of the Plan.

CONDITIONS OF PARTICIPATION.

Participation under this Plan of Reorganization in any respect whatsoever is dependent upon the deposit of securities with the Depositary, The Mercantile Trust Company, at its office, Number 120 Broadway, in the City of New York, or at its London agency, the London and Westminster Bank, Limited, in the City of London, within such time as may be fixed by notice, and the Plan will embrace only securities so deposited. No securities will be received on deposit except in negotiable form, and bonds must carry all coupons or claims for interest on registered bonds maturing on or after January 1, 1899 (excepting B. & O. Southwestern Railway First Income Mortgage 5 Per Cent. Bonds, Series

A and B, which must carry all matured and unpaid coupons). The Syndicate will purchase for cash at their face value such coupons and claims for interest on registered bonds maturing January 1, 1899, from holders who deposit their bonds under the plan, upon the Certificates of Deposit for such bonds being stamped "Ex Interest due January 1, 1899," and the said coupons or claims for interest on registered bonds being respectively delivered or assigned to the Syndicate or upon its order. Upon the completion of the reorganization there will be paid in cash upon all deposited bonds (not including, however, B. & O. Southwestern Railway First Income Mortgage 5 Per Cent. Bonds, Series A and B), interest at the respective rates provided in the old bonds up to January 1, 1899, from the coupon date last preceding, excepting in the case of bonds represented by Certificates of Deposit stamped as aforesaid, "Ex Interest due January 1, 1899."

The Depositary will issue proper receipts or certificates of deposit for all securities deposited.

The securities deposited hereunder will be held by the Depositary, subject to the order and control of the Reorganization Managers, as provided in the Reorganization Agreement.

All securities deposited under the plan are to be kept alive so long as deemed necessary by the Reorganization Managers or the New Company for the purposes of the reorganization or the protection of the New Company or its security holders.

CASH REQUIREMENTS AND PROVISION THEREFOR.

For improvements, cutting down grades, equipment, etc.....	$5,500,000
To take up existing Car Trusts, Collateral Loan and Floating Debt (Estimated).....	2,444,329
Reorganization expenses, Syndicate compensation, etc., any surplus to New Company.....	1,400,000
Total.....	$9,344,329

To be raised as follows :

By sale of $4,459,020 of new 3½ Per Cent. First Mortgage Bonds and $6,246,560 of new Preferred Stock (Trust Certificates).....	8,858,523
By sale Sundry Treasury Assets.....	485,806
	$9,344,329

POSITION OF THE BALTIMORE AND OHIO RAILROAD COMPANY (AS REORGANIZED) UPON THE CONSUMMATION OF THIS PLAN.

Upon the completion of the reorganization of the Baltimore and Ohio Railroad Company and of the reorganization or consolidation of the Central Ohio Railroad Company's system and the Pittsburgh Junction Railroad Company, and upon the consummation of this Plan, the position of the Baltimore and Ohio Railroad Company (as Reorganized), it is estimated, will be as follows:

The net earnings from operations, together with earnings from miscellaneous sources, for the year ending June 30, 1898, including net earnings from Central Ohio system and Pittsburgh Junction Railroad Company, were		$8,547,433
From which, however, will have to be deducted the sum of about $251,000, representing the decrease in the amount of miscellaneous income occasioned by the sale of securities and the cancellation of sinking fund investments under the Reorganization Plan of the Baltimore and Ohio Railroad Company, dated June 22, 1898		251,000
Leaving		$8,296,433
Add to this the net earnings of the Baltimore and Ohio Southwestern system for the year ending June 30, 1898, including miscellaneous income		1,989,761
Total		$10,286,194
Deduct fixed charges of B. & O.:		
$70,000,000 Prior Lien 3½ Per Cents	$2,450,000	
$15,000,000 New 3½ Per Cent. Pittsburgh Junction and Middle Division First Mortgage Gold Bonds	525,000	
$40,000,000 New 3½ Per Cent. Southwestern Division First Mortgage Gold Bonds	1,400,000	
$50,000,000 First Mortgage 4 Per Cents	2 000,000	
Estimated Rentals (including 4 per cent. on $6,000,000 Belt Line Railroad Mortgage Bonds, and excluding rentals of Central Ohio System), about	500,000	
*Taxes	544,794	
Taxes—B. & O. Southwestern System	293,998	
Terminals	202,000	
Ground rents and mortgage interest	75,000	
		$7,990,792
Leaving a surplus over fixed charges of about		$2,295,402

Apart from the large amount provided in the Plan for the Reorganization of the Baltimore and Ohio Railroad Company, dated June 22, 1898, to be expended on the properties comprised therein, and for additional equipment, the Plan for the Reorganization or Consolidation of the Central Ohio Railroad System, dated September 28, 1898, provides the further amount of $3,000,000 to be expended on the properties comprised therein and for additional equipment; and this Plan (see page 5) provides the further amount of $5,500,000 to be expended in like manner on the Baltimore and Ohio Southwestern System. The above statement of earnings does not allow for any increase in earnings from these expenditures, which, it is confidently expected, should largely increase the surplus over fixed charges.

* In case foreclosure shall be found necessary, the exemption from taxation under the old charter of the Baltimore and Ohio Railroad Company may be lost and the amount of annual taxes increased.

The amount of $5,500,000, reserved for improvements, cutting down grades, equipment, etc., is necessary to carry out the original plan adopted when the Baltimore and Ohio Southwestern Railroad Company was reorganized, and to bring the property to the standard required for advantageous and profitable operation in connection with the Baltimore and Ohio Railroad Company (as Reorganized).

The Company's accounts have been examined at the request of the Reorganization Managers by Mr. Stephen Little, who certifies to the correctness of the figures contained in this Plan.

The consummation of this Plan is conditional upon the Baltimore and Ohio Railroad Company (as Reorganized) approving the same, and consenting to issue its Southwestern Division First Mortgage 3½ Per Cent. Gold Bonds and Preferred and Common Stock as herein provided within one year from the date hereof, or such further time as the Reorganization Managers shall allow. In case the Baltimore and Ohio Railroad Company (as Reorganized) should fail to fulfill the foregoing conditions this Plan will be abandoned, and deposited securities will be returned to depositors upon surrender of the Certificates of Deposit therefor without expense, unless some modification of the Plan satisfactory to the depositors shall be proposed, in which case due notice of such modified Plan will be given, and depositors will be afforded an opportunity to withdraw their deposited securities in case the modification of the Plan is not acceptable to them.

Dated December 15, 1898.

TABLE A.

MILEAGE OF ROAD.

	First Track. Miles.	Second Track. Miles.	Side Tracks. Miles.
Main Track:			
Belpre to Cincinnati	192.88	15.20	85.33
Cincinnati to East St. Louis	339.46	.....	118.10
Marietta Branch:			
Belpre to Marietta	11.09	.....	1.80
Portsmouth Branch:			
Hamden to Portsmouth	55.43	.....	24.26
Hillsboro Branch:			
Blanchester to Hillsboro	21.43	.....	2.93
Louisville Branch:			
North Vernon to Jeffersonville	53.31	.....	9.50
Watson to New Albany	7.46	.....	1.85
Bedford Branch:			
Rivervale to Bedford	11.40	.....	.....
Springfield Division:			
Beardstown to Shawneetown	228.25	.....	38.04
Total	920.71	15.20	281.81
B. & O. S. W. Terminal	.....	.....	7.38
Marietta Terminal	0.27	.....	1.09
Operated under Trackage Rental — Central Union Depot to I. & C. Transfer	1.20	.....	.....
Total lengths of all tracks	922.18	15.20	290.28
Total Mileage			1,227.66

APPENDIX

TABLE "B"

Showing amount of cash and new securities which deposited securities will be entitled to receive on completion of reorganization.

EXISTING BONDS AND STOCK TO BE DEPOSITED.	EACH $1,000 RECEIVES			
	*Cash.	New Southwestern Division 3½% Gold Bonds.	New Preferred Stock Trust Certificates.	New Common Stock Trust Certificates.
Ohio & Mississippi Railway First Consolidated Mortgage Bonds, Extended 4 Per Cent	$20 00	$1,070	$100	
Ohio & Mississippi Railway First Consolidated Mortgage Sterling Bonds, Extended 4 Per Cent	20 00	1,040	100	
Ohio & Mississippi Railway Second Consolidated Mortgage 7 Per Cent. Bonds (Currency)	17 50	1,240	125	
Ohio & Mississippi Railway First Mortgage Springfield Division 7 Per Cent. Bonds (Currency)	11 67	1,000	125	
Ohio & Mississippi Railway General Mortgage 5 Per Cent. Bonds (Currency)	4 17	900	100	
Baltimore & Ohio Southwestern Railroad First Mortgage 4½ Per Cent. Bonds	22 50	1,060	100	
Baltimore & Ohio Southwestern Railway First Consolidated Mortgage 4½ Per Cent. Gold Bonds	22 50	900	100	
Baltimore & Ohio Southwestern Railway First Income Mortgage 5 Per Cent. Bonds, Series A	.....	.....	300	$200
Baltimore & Ohio Southwestern Railway First Income Mortgage 5 Per Cent. Bonds, Series B	.....	.....	.....	225
Baltimore & Ohio Southwestern Railway Preferred Stock	.. ..	.....	.....	175
Baltimore & Ohio Southwestern Terminal Company 5 Per Cent. Gold Bonds	8 33	1,030	125	
Cincinnati & Baltimore Railroad First Mortgage 7 Per Cent. Bonds	35 00	1,000	125	
Marietta Railway First Mortgage 4 Per Cent. Bonds	6 67	1,000		

* Interest at the rate provided in the old bonds from the date of the last matured coupon next preceding January 1, 1899, up to the date when the new bonds begin to bear interest, namely, January 1, 1899, excepting in respect of bonds represented by Certificates of Deposit stamped "Ex Interest due January 1, 1899," as stated in Plan.

AGREEMENT.

An Agreement, made this fifteenth day of December, one thousand eight hundred and ninety-eight, between

Speyer & Company and **Kuhn, Loeb & Company,** of New York, and **Speyer Brothers,** of London, as Reorganization Managers (hereinafter called the "**Managers**"), parties of the first part;

Holders of the mortgage bonds and stocks, hereinafter mentioned, who shall become parties to this agreement (hereinafter called "**Depositors**"), parties of the second part; and

The Mercantile Trust Company, of the City of New York (hereinafter called the "**Depositary**"), party of the third part.

Whereas, the Baltimore and Ohio Railroad Company has made default in the payment of its obligations, and Receivers of its railroad and property have been appointed;

And Whereas, a plan has been proposed for its reorganization, and the parties of the first part, as Reorganization Managers, are engaged in carrying out said plan;

And Whereas, the Baltimore and Ohio Southwestern system of railroads has heretofore been operated in connection with the Baltimore and Ohio Railroad system, and the plan referred to in this agreement has been proposed for the reorganization of the Baltimore and Ohio Southwestern Railway Company and the exchange of its existing securities for new securities of the Baltimore and Ohio Railroad Company, as Reorganized (the term "New Company" hereinafter employed meaning either the Baltimore and Ohio Railroad Company or such successor company or companies as may be organized under the Plan for its Reorganization, dated June 22, 1898);

And Whereas, the parties of the first part have consented to undertake the consummation of this plan and agreement:

Now, Therefore, it is mutually agreed by and between the respective parties hereto as follows:

FIRST. A printed copy of this agreement, signed by the parties hereto of the first and third parts, shall be lodged with The Mercantile Trust Company in the City of New York, and a duplicate signed in like manner shall be lodged with the London and Westminster Bank, Limited, in the City of London. Each of said copies shall be taken as a complete and original instrument, but both shall constitute but one agreement. The foregoing Plan is and shall be taken to be a part of this agreement, with the same effect as though each and every provision thereof had been embodied herein, and said Plan and this agreement shall be read as parts of one and the same paper; but no estimate, statement, explanation or suggestion contained in the said Plan or this agreement, or in any circular issued, or which may hereafter be issued, by the Depositary, or by the Managers, is intended, or is to be accepted, as a representation or warranty, or as a condition of deposit or assent under the Plan and this agreement, and no defect or error shall release any deposit under this Plan and agreement, or affect or release any assent thereto, except by written consent of the Managers.

Holders of the following-named bonds and stocks, or any of them, may become parties to this Plan and agreement by depositing their securities with the Depositary upon the terms and conditions specified in the Plan and this agreement, or hereafter defined, and within the periods which shall be fixed or limited by the Managers:

Ohio and Mississippi Railway First Consolidated Mortgage Bonds, Extended 4 Per Cent.
Ohio and Mississippi Railway First Consolidated Mortgage Sterling Bonds, Extended 4 Per Cent.
Ohio and Mississippi Railway Second Consolidated Mortgage 7 Per Cent. Bonds (Currency).
Ohio and Mississippi Railway First Mortgage Springfield Division 7 Per Cent. Bonds (Currency).
Ohio and Mississippi Railway General Mortgage 5 Per Cent. Bonds (Currency).
B. & O. S. W. Railroad First Mortgage 4½ Per Cent. Bonds.
B. & O. S. W. Railway First Consolidated Mortgage 4½ Per Cent. Gold Bonds.
B. & O. S. W. Railway First Income Mortgage 5 Per Cent. Bonds, Series "A."
B. & O. S. W. Railway First Income Mortgage 5 Per Cent. Bonds, Series "B."
B. & O. S. W. Railway Preferred Stock.
B. & O. S. W. Terminal Company 5 per Cent. Gold Bonds.
Cincinnati and Baltimore R. R. First Mortgage 7 Per Cent. Bonds.
Marietta Railway First Mortgage 4 Per Cent. Bonds.

Such holders must in all cases deposit the certificates for their stock, or their bonds or coupons or other securities, with such transfers, assignments and powers of attorney as may be required by the Managers in order to vest in them, and to enable them to transfer the complete and absolute title to such stocks, bonds, coupons, or other securities, and the Depositors agree respectively at any time on demand of the Managers to execute any and all other transfers, assignments or writings required for vesting the complete ownership of the bonds, coupons and stocks deposited hereunder in the Managers or their nominees. All Depositors shall receive Certificates of Deposit in form to be prescribed by the Managers specifying the respective bonds, coupons or stock deposited, and the holders of such Certificates of Deposit issued hereunder shall be entitled, subject to any provisions contained in such certificates, only to the rights and benefits specified in the Plan and this agreement as accruing to the holders of the bonds, coupons or stocks of the class represented by such certificates respectively or granted by the Managers pursuant to the powers conferred upon them, and thereafter the holder of any such certificate or of any certificate issued in lieu thereof or in exchange therefor shall be subject to the Plan and this agreement and entitled to have and exercise only the rights of the original Depositor under the certificate issued to him in respect of the securities therein mentioned.

Such Certificates of Deposit issued hereunder and the interests represented thereby shall be transferable only subject to the terms and conditions of the Plan and this agreement, and in such manner as the Managers shall approve; and upon such transfer, all rights of the Depositors or in respect of the deposited bonds, coupons or stock represented by such Certificates, and all rights under the Certificates of Deposit transferred, shall pass to the transferee, and the transferees and holders of such Certificates of Deposit shall for all purposes be substituted in place of the prior holders, subject to this agreement. All such transferees, as well as the original holders of Certificates of Deposit issued hereunder, shall be embraced under the term "Depositors," whenever used herein. Each Certificate of Deposit may be treated by the Managers and by the Depositary as a negotiable instrument, and the holder for the time being may be deemed to be the absolute owner thereof, and of all rights of the original Depositor of the bond, coupon, stock or other security in respect of which the same was issued, and neither the Depositary nor the Managers shall be affected by any notice to the contrary. By accepting any such Certificate, every recipient or holder thereof shall

thereby become party to the Plan and this agreement with the same force and effect as though an actual subscriber hereto. The term Depositor, whenever used herein, is intended, and shall be construed, to include not only persons acting in their own right, but also trustees, guardians, committees, agents and all persons acting in a representative or fiduciary capacity, and those represented by or claiming under them, and partnerships, associations, joint-stock companies and corporations. No rights hereunder shall accrue in respect of any securities hereinbefore mentioned unless, or until, the same shall have been subjected to the control of the Managers and to the operation of the Plan and this agreement as herein provided.

The Depositary shall receive the deposited stocks, bonds and coupons, or other securities, and shall hold the same respectively subject to the order and control of the Managers.

The Managers may in their discretion fix or limit the period or periods within which holders of bonds, coupons or stock or other securities, or any class thereof, may deposit their securities, and within which they may become parties to the Plan and this agreement, and in their discretion, either generally or in special instances, may extend or renew the period or periods so fixed or limited on such terms and conditions as they may see fit.

Holders of securities not deposited within the periods respectively fixed or limited therefor, will not be entitled to deposit the same or to become parties to this agreement or to share in the benefits thereof, and shall acquire no rights thereunder, except upon obtaining the express consent of the Managers, who may withhold or give such consent in their absolute discretion and upon such terms and conditions as they may see fit.

SECOND. The Depositors hereby irrevocably request the Managers to endeavor to carry into practical operation the Plan and this agreement in its entirety or in part, to such extent and in such manner and with such additions, exceptions and modifications as the Managers shall deem to be for the best interests of the Depositors or of the properties finally embraced in the readjustment or reorganization. Each and every Depositor, for himself and not for any other, does hereby sell, assign, transfer and set over to the Managers as copartners, and to the survivor and survivors of them and to their successors, each and every bond, coupon, share of stock, security or obligation or evidence thereof deposited hereunder, and every Depositor hereby agrees that the Managers shall be, and they are hereby, vested with all the rights and powers of owners of the stocks, bonds, coupons, securities and obligations deposited hereunder, including the right to transfer the same into their own names, as copartnerships and as Managers, or into the name of any other person or persons whom they may select; and (without limiting the foregoing provision) it is hereby declared that the Managers shall be fully authorized to vote thereon at any meeting of stockholders or bond or certificate holders or creditors; to use every such stock, bond, coupon, security or obligation as fully and to the same extent as the owner or holder thereof; to declare due the principal of any bond or other obligation deposited hereunder, and to revoke any such declaration whenever made; to call or attend, and, either in person or by proxy, to vote at any and all meetings of stockholders, bondholders or creditors of any corporation however convened; to terminate or to seek to dissolve or modify any trust, contract or lease, in whole or in part; to apply for the determination of the validity thereof, or for the removal of any Trustees or the substitution of other Trustees, or to take any other steps in respect of any trust, contract or lease or under any provision thereof; to purchase at any time or times, at such prices as they shall deem proper, or to pay, compromise or settle with the holders of any coupons, notes or other indebtedness of any of the Railroad Companies heretofore known as part of the Baltimore and Ohio Southwestern System, and to apply for that purpose any moneys in any manner received or raised by them; to borrow money for any of the purposes of this agreement, and to charge or pledge any deposited securities, property purchased, or new securities to be issued or delivered hereunder for the payment of any moneys borrowed; to give

all bonds of indemnity or other bonds, and to charge therewith the securities deposited hereunder, or any part thereof; to institute or to become parties to any legal proceeding; to apply for Receivers, or for the removal of Receivers and the substitution of other Receivers, or for the termination of any receivership and the delivery of any property to its owners; to settle any litigation now or at any time existing or threatened in whole or in part, with plenary power to enter into arrangements for decrees, or for facilitating or hastening the course of litigation, or in any way to promote the consummation of the Plan; to do whatever, in the judgment of the Managers, may be necessary to promote or to procure the sale as an entirety or the joint or separate sales of any property or franchises herein concerned wherever situated; to adjourn any sale of any property or franchises, or any portion or lot thereof, at discretion; to bid or to refrain from bidding at any sale, either public or private, either in separate lots or as a whole, for any property or franchises or any part thereof, whether or not owned, controlled or covered by any deposited security, including or excluding any particular rolling stock or other property, real or personal; and at, before or after any sale to arrange and agree for the resale of any portion of the property which they may decide to sell rather than to retain; to hold any property or franchises purchased by them either in their name or in the name of persons or corporations by them chosen for the purposes of this agreement, and to apply any security embraced hereunder in satisfaction of any bid or towards obtaining funds for the satisfaction thereof; and the term property and franchise shall include any and all railroads, railroad and other transportation lines, branches, leaseholds, lands, rights in lands, mining rights, stocks or other interests in corporations in which any of the railroads now or hereafter embraced in the Plan has any interest of any kind whatever, direct or indirect. The amount to be bid or paid by the Managers for any property or franchises shall be absolutely discretionary with them; and, in case of the sale to others of any property or franchises, the Managers may receive, out of the proceeds of such sale, or otherwise, any dividend in any form accruing on any securities held by them.

THIRD. The Managers may, without any reorganization or consolidation of the companies whose securities shall be deposited hereunder, sell or otherwise dispose of the deposited bonds and stocks in exchange for the new securities to be delivered to the Depositors as provided in the Plan, or they may procure the organization of one or more new companies, or they may adopt or use any existing or future companies, and they may cause to be made such consolidations, leases, sales, or other arrangements, and may make or cause to be made such conveyances or transfers of any properties or securities acquired by them, and may take such other proceedings as they may deem proper for the purpose of carrying out all or any of the provisions of the Plan and this agreement. The Managers shall further be authorized to receive and dispose of, in accordance with any of the provisions of this Plan and agreement, the new securities to be issued or delivered under this Plan in exchange for the deposited bonds and stocks.

FOURTH. The Managers may construe the Plan and this agreement; and their construction thereof or action thereunder, in good faith, shall be final and conclusive. They may supply any defect or omission, or reconcile any inconsistency in such manner and to such extent as shall be necessary to carry out the same properly and effectively, and they shall be the sole judges of such necessity. They shall be the sole and final judges as to when and whether the assent of enough parties interested in the several Railroad Companies shall have been obtained to warrant them in declaring the same or any part thereof operative, or in carrying the same or any part thereof into effect, and they shall have power whenever they shall deem proper, at any time before the new securities shall have been issued and delivered to the Depositors, to abandon or to alter, modify or depart from, the Plan or any part thereof. They may at any time or times, after any such partial abandonment, restore to the Plan any

abandoned part or parts thereof, and may seek to carry the same into effect, as fully as if such part or parts had not been abandoned. They may also attempt to carry the Plan into effect rather than abandon or modify the same, even though it be manifest that, as carried out, the Plan must depart from the original Plan or from some part thereof. But in case of any intentional change or modification or departure from the Plan, which, in their judgment, shall materially affect any of the several classes of Depositors or their mutual relations, a statement of such proposed change, modification or departure shall be filed with the Depositary in New York and also with its agent the London and Westminster Bank, Limited, in London, and notice of the fact of such filing shall be given as hereafter provided in Article Twelfth; and within two weeks after final publication all holders of the outstanding Certificates for such particular class or classes of securities affected thereby may surrender their respective Certificates therefor and withdraw securities of such particular class or classes, or the proceeds thereof, or substitutes therefor then under the control of the Managers, to the amount indicated in such Certificates without expense to the Depositors. Every Depositor of securities not so surrendering and withdrawing within such two weeks after final publication shall be deemed to have assented to the proposed changes or modifications, and, whether or not otherwise objecting, shall be bound thereby as fully and effectively as if he had actually assented thereto. Any changes or modifications finally made by the Managers shall be part of the Plan and this agreement; and all provisions and references concerning the Plan shall apply to the Plan so changed or modified. In every such case of withdrawal any cash advanced to Depositors, and any interest paid or advanced to holders of Certificates of Deposit in respect of deposited bonds, represented by such Certificates of Deposit, or in respect of the new bonds to be issued and delivered in exchange therefor under the Plan, must be repaid, if the Managers so require, by the holders of such Certificates before the deposited bonds represented by such Certificates of Deposit shall be surrendered in exchange therefor; but any interest collected by the Managers on deposited securities will, in case of such withdrawal, be accounted for by the Managers to the holders of the Certificates of Deposit for such securities. In case the Managers shall finally abandon the entire Plan, the stocks and bonds and coupons deposited hereunder or their proceeds, or any stocks, bonds, coupons, securities or claims or representatives thereof, then under the control of the Managers, shall be delivered to the several Depositors in amounts representing their respective interests upon surrender of their respective Certificates of Deposit without expense to the Depositors.

FIFTH. The Managers may proceed under the Plan and this agreement or any part thereof with or without foreclosure, and in case of foreclosure may exercise any power, either before or after foreclosure sale; and in every case all the provisions of the Plan and this agreement shall equally apply to and in respect of any physical properties embraced under the readjustment or reorganization and to and in respect of any securities representing any such property, it being intended that for all purposes thereunder any such property, and any securities representing such property, may be treated by the Managers as substantially identical. In case any separate Plan shall in the opinion of the Managers become necessary or expedient to effect the reorganization of any subordinate or other company, the Managers may promote and participate in any such reorganization and may deposit thereunder any securities thereby affected.

The Managers may, if they deem it expedient, arrange for the consolidation of the various railroad lines comprised in the Baltimore and Ohio Southwestern system—or without foreclosure or consolidation of any of said lines they may transfer or deliver to the New Company the securities deposited hereunder in exchange for the new securities to be issued and delivered by the New Company as consideration therefor.

Any action contemplated in the Plan and this agreement to be performed on or after completion and readjustment, reorganization or consolidation may be taken by the Managers at any time when they

shall deem the reorganization or consolidation advanced sufficiently to justify such course, and the Managers as they may deem necessary may defer the performance of any provision of the Plan and this agreement, or may commit such performance to the New Company.

They may also in their discretion set apart and hold in trust, or place in trust with any trust company, any part of the new securities to be issued or delivered by the New Company hereunder, and cash which may be received from sales of such new securities, or otherwise, as they may deem judicious for the purpose of securing the application thereof for any of the purposes of the Plan and this agreement.

SIXTH. From time to time, for the purpose of carrying this agreement into effect, or of obtaining assents thereto, the Managers, either generally or in specific instances, may make contracts with any person, syndicate or corporation, and, in their discretion, either generally or in specific instances, and upon such general or special terms and conditions as they may deem proper, may arrange to procure the deposit of securities hereunder; they may also, from time to time, by loan, guaranty, or by sale of the new securities to be issued or delivered, or otherwise, upon such terms, conditions and rates as said Managers may deem proper, obtain any moneys required to carry out the Plan and this agreement; and for the performance of any contract said Managers may charge the deposited securities and the new securities to be issued, and may pledge the same for the payment of any moneys borrowed and interest thereon, and other performance of any other obligations incurred under the powers herein conferred. The Managers may employ counsel, agents and all necessary assistance, and may incur and discharge any and all expenses by them deemed reasonable for the purpose of this agreement. They may prescribe the form of all securities, mortgages and all instruments at any time to be issued or entered into. They may create and provide for all necessary trusts, and may nominate and appoint trustees thereunder. The Managers may, at public or private sale, or otherwise, dispose of any bonds and Trust Certificates for stock of the New Company left in their hands because of any failure to make deposit hereunder.

In so disposing of any such new securities thus left in their hands, they may use the same or the proceeds thereof for the purpose of carrying out the reorganization in such manner as they may deem expedient and advisable. At the time of the creation of the new securities, or as soon thereafter as may be, the Managers may take such action (either by creating lesser amounts of securities, or otherwise) as they may deem necessary to guard against the issue of such particular securities in any manner or to any extent inconsistent with the purposes of the Plan.

SEVENTH. The said firms of Speyer & Co. and Kuhn, Loeb & Co., of New York, and Speyer Brothers, of London, shall be the Managers under this agreement. So far as practicable the three firms as such Managers shall act and concur in all steps and proceedings hereunder, but, in the event of the three firms not concurring, the concurrent action of any two of said firms shall be the action of the Managers, and no action shall be taken except with the assent of at least two of said three firms. The said firms as Managers shall each act as a copartnership, and, in case of any change in either of said firms, the respective firms of Speyer & Co., Kuhn, Loeb & Co. and Speyer Brothers, or their respective successor firms, as from time to time constituted, shall continue as Managers, with all the powers, rights and title vested in the Managers hereunder. Neither the Managers nor the Depositary assume any personal responsibility for the execution of the Plan, or of this agreement, or any part of either, nor for the result of any steps taken or acts done for the purposes thereof; the Managers, however, undertaking in good faith to endeavor to execute the same. No Depositary, nor any of the Managers, shall be personally liable for any act or omission of any agent or employee selected in good faith, nor for any error of judgment or mistake of law, nor in any case except for his,

its or their own individual wilful malfeasance or neglect, and no Depositary or any of the Managers shall be personally liable for the acts or defaults of any other Depositary or Manager or of any Trust Company. The Managers may act through any committee or agents, and may delegate any authority, as well as discretion, to any such committee or agent, and the members of such committee or such agents may be allowed a reasonable compensation for their services hereunder. The Managers shall be entitled to compensation for their services, which shall be fixed by agreement between the Managers and the Board of Directors of the New Company, and, as so fixed, shall be finally binding and conclusive upon all parties. The Managers shall have the right to form or procure the formation of any Syndicate or Syndicates which they may deem necessary or advantageous for carrying out the purposes of the Plan, and may act as Managers of such Syndicate or Syndicates. Any of said firms or any member thereof or any Depositary may be or become pecuniarily interested in any contracts, property or matters which this agreement concerns, including participation in or under any syndicate agreement, as Syndicate Managers, or otherwise, whether or not mentioned in the Plan. Any direction given by the Managers shall be full and sufficient authority for any action of the Depositary or of any Trust Company or of any other custodian or of any committee or agent.

EIGHTH. The Managers may negotiate and contract with any and all companies or persons for obtaining or granting running powers, terminal facilities, exchanges of property, or any other convenience which they may deem necessary or desirable to obtain or to grant, and may make contracts therefor, and generally may ratify and make such purchases, contracts, stipulations or arrangements as will in their opinion operate directly or indirectly to aid in the preservation, improvement, development or protection of any property now constituting or known as part of the Baltimore and Ohio Southwestern Railroad System, or to prevent or avoid opposition to or interference with the successful execution hereof.

NINTH. The accounts of the Managers shall be filed with the Board of Directors of the New Company within one year after its organization shall have been completed, unless a longer time be granted by the said Board. The accounts, when approved by such Board of Directors, shall be final, binding and conclusive upon all parties having any interest therein, and thereupon the Managers shall be discharged. The acceptance of new securities by any Depositor shall estop such acceptor from questioning the conformity of such securities in any particular to any provisions of the Plan; and the acceptance of new securities by the holders of a majority in amount of the Certificates of Deposit for any class of securities shall in each case respectively estop all holders of Certificates of Deposit for securities of that class.

TENTH. The enumeration of specific powers hereby conferred shall not be construed to limit or to restrict general powers herein conferred or intended so to be; and it is hereby distinctly declared that it is intended to confer on the Managers, in respect of all securities deposited or to be deposited, and in all other respects, any and all powers which the Managers may deem necessary or expedient in or towards carrying out or promoting the purposes of the Plan and this agreement in any respect, even though any such power be apparently of a character not now contemplated; and the Managers may exercise any and every such power as fully and effectively as if the same were herein distinctly specified, and as often as, for any cause or reason, they may deem expedient. The methods to be adopted for or towards carrying out this agreement shall be entirely discretionary with the Managers.

The bonds, coupons and other obligations deposited under the Plan and this agreement, and all securities, obligations or claims purchased or otherwise acquired under this agreement, shall remain in

full force and effect for all purposes, and shall not be deemed satisfied, released or discharged by any delivery of new securities; and no legal right or lien shall be deemed released or waived, but said bonds and other claims, and any judgment upon any of such claims, including claims and judgments for deficiencies, and all liens and equities, shall remain unimpaired, and may be enforced by the Managers or by the New Company or by any other assign of the Managers until paid or satisfied in full or expressly released. Neither the Managers nor any bondholders or creditors of any of the Railroad Companies embraced in the Plan, by executing this agreement, or by becoming parties thereto, release, surrender or waive any lien, right or claim in favor of any stockholders or other creditors of such Company, and all such liens, rights or claims shall vest unimpaired in the Managers and in the New Company, or its assigns, severally and respectively; and any purchase or purchases by or on behalf of the Managers, or the New Company, under any decree for the enforcement of any such lien, right or claim, shall vest the property purchased in the Managers or the New Company free from all interest or claim on the part of any such stockholders, creditors or other parties. No right is conferred, nor any trust, liability or obligation (except the agreements herein contained in favor of the holders of Certificates of Deposit hereunder) is created by the Plan and this agreement, or is assumed hereunder, or by or for any New Company in favor of any bondholder, or any other creditor, or of any holder of any claim whatsoever against any of the Railroad Companies embraced herein, nor in favor of any company now existing or to be formed hereafter (whether such claim be based on any bonds, coupons, stocks, securities, lease, guaranty or otherwise), with respect to any securities deposited under this agreement, or any moneys paid to or received by the Managers or by the Depositary hereunder, or with respect to any property acquired by purchase at any foreclosure sale, or with respect to any new certificates to be issued hereunder, or with respect to any other matter or thing.

ELEVENTH. All moneys paid under or with reference to the Plan and this agreement shall be paid over to the Managers, who shall as Bankers hold the same subject to application for any of the purposes of the Plan and this agreement as may be most convenient, and as from time to time may be determined by the Managers, whose determination as to the propriety and purpose of any such application shall be final, and nothing in the Plan shall be understood as limiting or requiring the application of specific moneys to specific purposes. Any obligation in the nature of floating debt or otherwise against any company or property embraced in the Plan either as proposed or carried out, or any securities held as collateral for any such obligation, may be acquired or extinguished or held by the Managers at such time, in such manner, and upon such terms as they may deem proper for the purposes of the reorganization, but nothing in the Plan and this agreement contained is intended to constitute, nor shall it constitute, any liability or trust in favor or in respect of any such obligation.

TWELFTH. All notices fixing or limiting any period for the deposit of securities and all other calls or notices hereunder, except when herein otherwise expressly provided, shall be published in two daily papers of general circulation published in the City of New York, and in two daily papers of general circulation published in the City of London, twice in each week for two successive weeks, beginning on any day of the week. Any call or notice whatsoever when so published by the Managers shall be taken and considered as though personally served on all parties hereto and upon all parties bound hereby, as of the respective dates of insertion thereof, and such publication shall be the only notice required to be given under any provision of this Plan and agreement. When a call or notice shall have been advertised, as above specified, in New York or in London, publication shall be complete as regards all holders of Certificates of Deposit issued by the Depositary in the city in which such publication shall have been made, and no further publication shall be required in such city.

THIRTEENTH. The consummation of this Plan and agreement is conditional upon the assent thereto of the Baltimore and Ohio Railroad Company, as Reorganized, and the issue by it of the proposed new bonds and stocks to be delivered in exchange for the securities deposited hereunder and for other purposes hereof. Unless the Baltimore and Ohio Railroad Company, as Reorganized, shall accept this Plan and agreement as now proposed or as modified by the Managers pursuant to the terms hereof, and issue and deliver such new bonds and stocks within one year from the date hereof, this Plan and agreement will be abandoned, and the deposited securities will be returned to the holders of certificates of deposit therefor upon the surrender of such certificates of deposit, without expense to the Depositors, unless some modification of the Plan and agreement be approved by the Depositors after due notice and an opportunity to withdraw the deposited securities have been given, as herein provided.

FOURTEENTH. The Plan and this agreement shall bind and benefit the several parties, including the Depositors hereunder, their and each of their survivors, heirs, executors, administrators, successors and assigns.

In Witness Whereof, the Managers, and The Mercantile Trust Company have caused these presents to be duly executed, the day and year first above written, and the parties of the second part have become parties hereto by depositing their securities and accepting certificates of deposit therefor hereunder.